

CAL-WEST RAIN, INC.

4939 North Madera Avenue, Kerman, CA 93630

(559) 849-5326 | www.calwestrain.com

MASTER LEASE AGREEMENT

This MASTER LEASE AGREEMENT ("AGREEMENT") is executed between CAL-WEST RAIN, INC., a California corporation ("LESSOR"), and _____, a _____ (corporation, limited partnership, general partnership, limited liability company, sole proprietorship), whose address is _____ ("LESSEE"). The term "PARTIES" as used herein shall refer to the LESSOR and LESSEE collectively, and the term "PARTY" shall refer to them individually as the context allows.

1. **Master Lease AGREEMENT.** The PARTIES intend to enter into one or more lease transactions involving the lease of various pieces of irrigation equipment owned by LESSOR and transferred to LESSEE for its use for a defined period of time. This AGREEMENT shall set forth the terms and conditions under which the PARTIES will operate under all such transactions entered into now and into the future. This AGREEMENT shall be deemed incorporated into all future lease transactions.
2. **Lease Invoices.** Each lease transaction shall be documented by a lease invoice ("INVOICE") that shall set forth the following information:
 - a. **TERMS.** The start and end dates of the particular lease transaction ("TERM").
 - b. **LOCATION.** Where the EQUIPMENT shall be used and located for the TERM ("LOCATION").
 - c. **EQUIPMENT.** An itemized list of the equipment being leased to the LESSEE ("EQUIPMENT").
 - d. **RENT.** A breakdown of the pricing for all the EQUIPMENT ("RENT").
 - e. **Payment Terms.** The means and methods for payment of RENT by the LESSEE to the LESSOR.
 - f. **Additional Terms and Conditions.** While this AGREEMENT shall be incorporated into each INVOICE as if set forth at length therein, additional or supplemental terms and conditions related to the particular lease transaction, if any, shall be set forth on the INVOICE.
3. **Retention of EQUIPMENT beyond the TERMS.** Unless extended by a writing between the PARTIES, the TERM for each item of EQUIPMENT shall be the period of time set forth on each INVOICE. Should LESSEE hold the EQUIPMENT beyond the TERM, LESSEE shall hold LESSOR harmless from and indemnify LESSOR against any and all damages incurred by LESSEE as a result of such holding over. LESSEE shall also pay to LESSOR a sum equal to the One Hundred Twenty Percent (120%) RENT rate set forth in the INVOICE for such EQUIPMENT applied to the hold over period.
4. **Waiver of All Warranties.** THE LESSEE AGREES THAT THERE IS NO WARRANTY THAT THE EQUIPMENT WILL BE FIT FOR A PARTICULAR PURPOSE, AND ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY, ARE EXCLUDED.
5. **Delivery of EQUIPMENT.** Unless other arrangements are made, LESSOR shall deliver the EQUIPMENT to the LOCATION. LESSOR reserves the right to make delivery of the EQUIPMENT in one or more installments. All such installments shall be separately invoiced and paid for when due, with regard to subsequent deliveries. Delay in delivery of any installments shall not relieve LESSEE of its obligation to accept remaining deliveries.
6. **LOCATION of EQUIPMENT.** The LESSEE shall keep each item of EQUIPMENT at the LOCATION set forth in the INVOICE. EQUIPMENT shall not be moved from said LOCATION without the written permission of LESSOR.
7. **Payment Terms/Late Charges.** In addition to any payment terms set forth in the INVOICE, LESSEE agrees to pay RENT in the amount shown on each INVOICE. Unless other terms are set forth on the INVOICE at the option of LESSOR, said RENT and any other charges incurred under this AGREEMENT shall be payable within thirty (30) days from the date of such INVOICE. A late charge of one and one-half percent (1½%) per month, which equals approximately eighteen percent (18%) per annum, or the highest rate allowed by law, whichever is less, will be charged on all past due payments.
8. **State Taxes.** Unless otherwise stated in the INVOICE, the RENT set forth does not include taxes that might be imposed by California Revenue and Taxation Code Sections 6001, et seq. In the event that any sales or use tax is imposed on LESSOR as a result of any lease transaction hereunder, LESSEE agrees to reimburse LESSOR upon invoicing from LESSOR in the amount of the liability incurred by LESSOR as a result of such tax.
9. **Return of EQUIPMENT.** LESSEE shall accumulate and stack EQUIPMENT upon expiration of the TERM at the LOCATION in an area that is convenient for its pick-up by the LESSOR. In the event LESSEE fails to do this, LESSOR may accumulate and stack EQUIPMENT and LESSEE shall reimburse LESSOR its reasonable labor charges within thirty (30) days from date of billing. LESSEE shall bear all risk of loss or damage to EQUIPMENT until it is picked up by, or placed in the actual possession of, LESSOR.
10. **Costs of Transportation, Installation and Removal of EQUIPMENT.** In addition to the RENT, if the LESSOR transports the EQUIPMENT to or from the LOCATION or LESSOR handles the installation or removal of the EQUIPMENT, then the LESSEE shall reimburse the LESSOR for all costs related to those services. LESSEE is not obligated to use the services of LESSOR but if alternate means of those services are provided by the LESSEE, they shall be performed in a professional manner designed to protect the integrity of the EQUIPMENT at all times.
11. **Care and Maintenance of EQUIPMENT.** During the TERM, LESSEE shall be solely responsible for the care and maintenance of all EQUIPMENT. As to any EQUIPMENT with moving parts, such maintenance shall include, but not be limited to, an OIL CHANGE EVERY ONE HUNDRED FIFTY (150) HOURS AND A FILTER CHANGE EVERY THREE HUNDRED (300) HOURS on all pumps, and the proper monitoring, maintenance and replacement of engine fluids, safety equipment and belts. Any and all damage resulting from tampering with the safety switches on oil pressure, water temperature, and pump discharge will be the sole responsibility of the LESSEE. LESSEE shall pay for all service calls, and all repairs. If the LESSOR is used, then such charges shall be based upon LESSOR's current retail prices. For any EQUIPMENT the rental charges of which is based on the reading of hour meters, if the hour meter is stopped as a result of damage or misuse, the EQUIPMENT, for purposes of RENT, shall be deemed to

have been used for twenty four (24) hours for each day the LESSEE has possession of such EQUIPMENT until such hour meter is repaired. Such deemed usage shall be prorated to the hour on the day the hour meter is repaired or EQUIPMENT is returned to LESSOR.

12. **Condition of EQUIPMENT/Repair.** Upon expiration of the TERM, LESSEE shall return EQUIPMENT to LESSOR in the same condition it was in when delivered to LESSEE, reasonable wear and tear excepted. In the event of damage to the EQUIPMENT, LESSEE shall give notice immediately to LESSOR of such damage. LESSEE shall repair any damage to the reasonable satisfaction of the LESSOR prior to the return of the EQUIPMENT. In the event the LESSEE fails to make such repairs, they will be made by the LESSOR and except for the repair of normal wear and tear, all repair work shall be at LESSEE's expense and shall be immediately paid to LESSOR.
13. **Certification upon Return of EQUIPMENT.** At the time of LESSEE's return of EQUIPMENT to LESSOR, and upon LESSOR's request, LESSEE shall supply LESSOR with the written report from a duly licensed and qualified laboratory that such EQUIPMENT is free of toxic or hazardous materials. Should the returned EQUIPMENT fail to be free of such hazardous materials, LESSEE shall pay to LESSOR, upon billing from LESSOR, the cost of removing the hazardous material from EQUIPMENT and the cost of transporting, treating and disposing of the hazardous materials and all wastes, leachates, rinsates, solvents and other materials generated by the cleaning and removal process. Should any of such EQUIPMENT not be capable of being cleaned of hazardous materials and wastes, LESSEE shall pay to LESSOR a sum equal to the then current retail market value of such EQUIPMENT (assuming such EQUIPMENT was free of all hazardous materials) plus the cost of treating, transporting, storing and disposing of such EQUIPMENT.
14. **Compliance with Laws and Regulations.** LESSEE shall, at all times, use such EQUIPMENT in compliance with any and all hazardous materials, toxic waste, clean air, environmental protection, or any similar laws or regulations. LESSEE agrees that EQUIPMENT will be used in compliance with all statutes, laws, ordinances and regulations. While in the LESSEE's possession, LESSOR shall have no responsibility for the use, control or operation of the EQUIPMENT and LESSEE shall indemnify the LESSOR for any liability resulting from its use in violation of any law or regulation.
15. **Modifications to EQUIPMENT.** LESSEE shall not make any modifications to EQUIPMENT without LESSOR's prior written consent. All modifications shall become the property of LESSOR, except as SPECIFICALLY provided in this AGREEMENT.
16. **Protection of the EQUIPMENT.** LESSEE shall not allow EQUIPMENT to come into contact with any substance that will cause the corrosion, dissolution or disintegration of, or other damage to, EQUIPMENT, or leakage from EQUIPMENT. In addition to complying with all labeling and placarding requirements imposed by laws, regulations and ordinances, LESSEE shall deliver to LESSOR, within twenty four (24) hours of the placement of any hazardous material into EQUIPMENT, a copy of the Material Safety Data Sheet pertaining to such material, and if none such exists, a written report setting forth all information pertaining to the substance that would be required in the Material Safety Data Sheet as developed under 29 CFR section 1910.1200(g) or any successor statute or regulation.
17. **Insurance.** LESSEE shall keep the EQUIPMENT insured against all risks of loss or damage from every cause whatsoever for not less than the full replacement value thereof as determined by LESSOR and shall carry public liability and property damage insurance covering EQUIPMENT. All such insurance shall be in form and amount and with companies approved by LESSOR, and shall name LESSOR as an additional insured. LESSEE shall pay the premiums therefore and upon written request from LESSOR provide LESSOR with certificates of insurance. Each insurer shall agree, by endorsement upon the policy or policies issued by it or by independent instrument furnished LESSOR, that it will give LESSOR thirty (30) days' written notice before the policy in question shall be altered or cancelled. Proceeds of such insurance, at the option of LESSOR, shall be applied:
 - a. Towards the replacement, restoration, or repair of EQUIPMENT and then;
 - b. Towards payment of the obligations of LESSEE hereunder.
18. **Indemnity.** LESSEE will indemnify, defend and hold LESSOR harmless from and against:
 - a. Any and all liabilities, losses, attorneys' fees and costs arising out of, pertaining to, or resulting from the use of EQUIPMENT by LESSEE, or the release, discharge, or leakage of any hazardous material placed in EQUIPMENT by LESSEE, without regard to whether such release, discharge or leakage occurs as a result of use of EQUIPMENT by LESSEE or as a result of the return, repossession, treatment, storage or disposal of EQUIPMENT or such hazardous material;
 - b. Any and all liabilities, attorneys' fees and costs resulting from the treatment, transport, storage or disposal of EQUIPMENT, contents placed therein by LESSEE, and rinsates, leachates, solvents, and other substances resulting from or used in the cleaning of EQUIPMENT upon its return to LESSOR; and
 - c. Except as otherwise expressly agreed in writing signed by LESSOR and LESSEE, any and all taxes, qualification fees, permit fees, or other fees and charges of any nature (together with any interest or penalties thereon), imposed upon LESSOR, LESSEE, or EQUIPMENT by any governmental authority with respect to LESSEE's use of EQUIPMENT. For purposes of this paragraph, "liabilities, attorneys' fees and costs" shall be deemed to include, but not be limited to, all expenditures and obligations pertaining to, either directly or indirectly, site cleanup, site assessments, remedial action plans, criminal and civil penalties and liens, administrative proceedings, governmental actions and prosecutions, and personal injury, property damage or other claims made by any person or entity, including, but not limited to, LESSEE's agents and employees. The provisions of this paragraph shall survive the expiration and termination of the rental period hereunder.
19. **No Sale/No Option.** This is a true lease and LESSEE has no option to buy EQUIPMENT unless such option is specifically set forth in the rental invoice. RENT payments made hereunder are for the use of EQUIPMENT, and LESSEE is not acquiring any interest or equity in EQUIPMENT.
20. **No Additional Rights in EQUIPMENT.** Other than the limit rights granted under this AGREEMENT and the INVOICE, the LESSEE shall have no rights to sell, lease, subrent, pledge, loan, encumber or part with the possession of EQUIPMENT, or suffer any claims or encumbrances of any kind to be placed thereon. Further, LESSEE shall not assign or otherwise transfer its interest in this AGREEMENT.
21. **EQUIPMENT Is Personal Property.** No matter its mode of attachment, it is agreed by the PARTIES that at all times the EQUIPMENT shall remain personal property and shall at no time be considered fixtures of the real property where EQUIPMENT is located or being used. At the LESSOR's discretion, LESSEE agrees to post a notice regarding the personal property nature of the EQUIPMENT prominently at the LOCATION.
22. **Access to EQUIPMENT.** LESSOR or its authorized agent or agents shall have the right to enter upon the LOCATION where EQUIPMENT is located for the purposes of inspecting or removing the same.

- 23. Default by LESSEE.** LESSEE shall be in default under this AGREEMENT upon the happening of any of the following events or conditions (herein called "EVENT OF DEFAULT"):
- a. LESSEE's failure to make any payment of RENT or any other payment hereunder after the same is due and payable;
 - b. LESSEE's failure to perform or observe any other covenant or condition to be performed or observed on its part under this AGREEMENT;
 - c. Any representation made or furnished LESSOR under this AGREEMENT which the credit application or any other document provided by LESSEE to LESSOR proves to have been false in any material respect when made or furnished; or
 - d. LESSEE's assignment for the benefits of creditors, bankruptcy, arrangement, reorganization, liquidation, receivership or commencement of dissolution proceedings.
- 24. Remedies by LESSOR upon an EVENT OF DEFAULT.** Upon the occurrence of any EVENT OF DEFAULT, LESSOR may, at its option, exercise one or more of the following remedies:
- a. Terminate the rental period without prejudice to any other remedies hereunder;
 - b. Cause LESSEE, at its expense, to promptly clean any and all EQUIPMENT and return such EQUIPMENT to LESSOR;
 - c. Enter upon the LOCATION where the EQUIPMENT is, and without notice to LESSEE, and with or without legal process, and conduct repossession of EQUIPMENT without liability to LESSOR, and without such action constituting a termination of the rental period unless LESSOR notifies LESSEE in writing to such effect; and/or
 - d. Proceed by appropriate action either at law or in equity to enforce performance by LESSEE of the applicable covenants of the AGREEMENT or to recover damages for the breach thereof.
- 25. Additional Damages upon an EVENT OF DEFAULT.** In addition to all unpaid RENT and any other amount under this AGREEMENT through the last day of the month in which EQUIPMENT is picked up or the return thereof is accepted by LESSOR, LESSOR shall be entitled to recover as damages, all liabilities, attorneys' fees and costs described elsewhere in this AGREEMENT, an amount equal to the replacement cost of EQUIPMENT which LESSEE fails to return to LESSOR or which LESSOR is unable to repossess, and all other amounts then payable by LESSEE to LESSOR hereunder. None of the remedies described herein is intended to be exclusive, but each shall be cumulative and in addition to any other remedy referred to herein or otherwise available to LESSOR in law or in equity.
- 26. Return of EQUIPMENT upon an EVENT OF DEFAULT.** Upon an EVENT OF DEFAULT by LESSEE, including the insolvency of the LESSEE, and upon request by LESSOR, LESSEE shall assemble the EQUIPMENT and make it available to LESSOR at a place designated by LESSOR within the LOCATION.
- 27. Default by Either PARTY.** In addition to any other obligation under this AGREEMENT, should either PARTY hereto default in any of the covenants or agreements contained herein, the defaulting PARTY shall pay all damages, costs and expenses including, without limitation, attorney and accounting fees reasonably incurred by the other party by reason of such default with or without litigation.
- 28. Incorporation of other Documentation.** It is hereby agreed that the contractual relationship between parties consists of this AGREEMENT, all INVOICES, and all exhibits, addenda and subsequent modifications of the foregoing, including, but not limited to, any special conditions, executed by LESSOR and LESSEE attached hereto or the INVOICES. These documents are as fully part of this AGREEMENT as if attached hereto or repeated herein. In the event of any inconsistency between the terms of this AGREEMENT and any of the aforementioned documents, the terms of this AGREEMENT shall prevail.
- 29. Amendments and Modifications.** This AGREEMENT may not be changed or terminated orally. No change, termination or attempted waiver of any of the provisions hereof shall be binding unless in writing and signed by the PARTY against whom the same is sought to be enforced.
- 30. Jurisdiction and Venue.** This AGREEMENT, and all actions taken hereunder, shall be governed by the laws of the State of California. The forum and venue for all actions, whether judicial or administrative, at law or in equity, shall be Fresno County, California.
- 31. Preservation of AGREEMENT.** If any portion of this AGREEMENT is deemed to be unlawful or unenforceable, said portion will be stricken from the AGREEMENT and the remainder or the AGREEMENT will remain in full force and effect.
- 32. Continuation of this AGREEMENT.** This AGREEMENT shall continue to be in force and effect until replaced or terminated by the PARTIES. Its purpose is to provide the terms and conditions for all lease transactions of EQUIPMENT between the PARTIES, no matter when occurring.
- 33. Notices.** Any notice or notices required of or given by either PARTY pursuant to this AGREEMENT shall be in writing and shall be deemed received: (a) When delivered personally from one to the other; (b) on the date of the first attempted delivery, if a nationally recognized overnight delivery/courier service is used; (c) three (3) days after mailing by certified or registered United States mail, return receipt requested; or (d) one (1) day after being sent via e-mail with transmission and receipt confirmed, addressed as set forth above or to such other address as either PARTY shall designate, from time-to-time, by the means herein prescribed for the giving of notices.
- 34. No Third PARTY Beneficiaries.** Nothing in this AGREEMENT, whether expressed or implied, is intended to confer any rights or remedies under or by reason of this AGREEMENT on any person (including, without limitation, any broker, finder or agent of either PARTY) other than the PARTIES to this AGREEMENT and their respective successors and assigns, if any, nor shall any provision herein give any third parties the right of subrogation or action against any PARTY to this AGREEMENT.
- 35. Interpretation.** The language in all parts of this AGREEMENT shall be construed according to its normal and usual meaning, and not strictly for or against either PARTY. In the event of any claim of ambiguity in, or dispute regarding the meaning of the language hereof, the PARTIES shall be deemed to have jointly negotiated and drafted this AGREEMENT and each provision hereto so that this AGREEMENT shall not be construed against either PARTY as the drafter. Prior drafts of this AGREEMENT or of any disputed provision shall have no effect in construing this AGREEMENT or such provision.
- 36. Successors and Assigns.** The terms and provisions of this AGREEMENT shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns of the PARTIES.
- 37. Time.** Time is of the essence with respect to the performance of each of the covenants and agreements contained in this AGREEMENT.
- 38. Counterpart Signatures.** This AGREEMENT may be signed by the PARTIES in different counterparts and the signature pages combined to create a document binding on all PARTIES.
- 39. No Waiver.** The waiver by either PARTY of any violation on the part of the other shall not be construed as a waiver of any subsequent violations.

40. Authority to Execute. By executing this AGREEMENT below, both the signatories represent and warrant to the other PARTY that they have full and complete authority to execute this AGREEMENT and to bind the PARTY for which they are signing. Further, that this AGREEMENT is not in violation of any statute, court order or any contractual agreement binding on that PARTY.

This AGREEMENT shall be of no force or effect unless and until LESSOR has approved LESSEE's Credit Application, or until LESSOR has delivered EQUIPMENT to LESSEE hereunder, whichever occurs earlier.

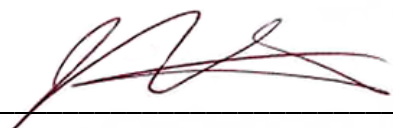
The PARTIES have read and understand each of the provisions of this AGREEMENT, and agree to perform as required.

THIS AGREEMENT is being signed and is effective this ____ day of _____, _____.

LESSOR

LESSEE

CAL-WEST RAIN

By:  _____

By: _____

Name: Jason Martin

Name: _____

Title: Vice President - Sales

Title: _____